



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

## BILL ANALYSIS



Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bill 4299 (Substitute S-2 as reported by the Committee of the Whole)  
Sponsor: Representative Jon Bumsted  
House Committee: Tourism  
Senate Committee: Natural Resources, Environment and Great Lakes

**CONTENT**

The bill would amend Part 811 (Off-Road Recreation Vehicles) of the Natural Resources and Environmental Protection Act to do the following:

- Authorize a county, rather than an "eligible county", to adopt an ordinance permitting the use of off-road recreation vehicles (ORVs) on a county road in the county.
- Include a municipality (a city or village) in provisions that allow a township to adopt a similar ordinance and to close roads to ORV operation otherwise allowed by a county ordinance.
- Require the legislative body of a county, township, or municipality located in a southern county to consult with the board of county road commissioners before adopting such an ordinance.
- Allow a village to adopt an ordinance to close roads to ORV operation otherwise allowed by a township ordinance.
- Allow a municipality, rather than a municipality in an eligible county, to adopt an ordinance authorizing the operation of ORVs on streets within the municipality.
- Permit a local unit of government to request the Michigan Department of Transportation (MDOT) to authorize the local unit to adopt an ordinance allowing the operation of ORVs on the far right side or shoulder of a highway located within that local unit, and allow the local unit to adopt an ordinance to that effect if the request were granted.
- Allow MDOT, before January 1, 2015, to authorize the operation of ORVs on a highway on its own initiative without having received a local unit's request.
- Require a highway to meet certain conditions in order for MDOT to authorize ORV use on it.
- Prescribe procedures for MDOT to close a highway to ORV operation.
- Provide that the State would not have a duty to maintain a highway in a condition reasonably safe and convenient for the operation of ORVs.
- Provide that the State would be immune from tort liability for injuries or damage sustained from the operation or use of an ORV on highways.
- Allocate to MDOT 50% of the fine revenue for an ORV violation committed on a highway.
- Designate as a State civil infraction a violation of a rule promulgated or order issued with regard to MDOT's authorization of ORV operation on a highway; prescribe a maximum civil fine of \$500; and require the defendant to pay the cost of repairing any resulting damage to the environment, the highway, or public property.

MCL 324.81131

Legislative Analyst: Julie Cassidy

**FISCAL IMPACT**

The bill could have an indeterminate fiscal impact on both the Department of Transportation and local road agencies. The Department could incur costs to repair highways and/or

shoulders of highways damaged by ORVs. However, it is uncertain whether the Department could spend any funds for damage caused by ORVs as currently State funds may be used only for transportation-related repairs. Repairs necessitated by ORVs could be considered a recreational use and thus would require a specific appropriation. The potential costs to MDOT depend on the extent to which MDOT authorized the operation of ORVs on the shoulders of State highways, and the number of local units of government that ultimately adopted an ordinance allowing the operation of ORVs on the shoulders of highways. Additionally, the bill would require that 50% of local fine revenue be submitted to the Transportation Department for repairs from ORV damage.

The bill also could place additional costs on local road agencies or units of government associated with environmental and incidental road damage caused by the use of ORVs on highways or highway shoulders. Although local agencies are reimbursed by MDOT for particular maintenance and road repair costs they incur, the Department reimburses only a certain percentage of those costs, depending on the amount appropriated for those reimbursements in the Department's annual budget. If the costs to local agencies exceed the amount reimbursed by MDOT, the local agencies must absorb that cost. The potential cost to local road agencies depends on the number of county boards of commissioners or local units of government that ultimately adopted an ordinance allowing the operation of ORVs on highways or roads.

Additionally, the Department of Transportation could incur administrative costs associated with authorizing local units of government to allow the operation of ORVs on the shoulders of highways or the notifications that a highway was closed to ORV use. The cost is indeterminate and dependent on the number of local units of government that requested authorization.

Date Completed: 6-19-13

Fiscal Analyst: Joe Carrasco

Floor\hb4299

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.